

STATE OF HAWAII
CONTRACT FOR GOODS OR SERVICES
BASED UPON
COMPETITIVE SEALED BIDS

This Contract, executed on the respective dates indicated below, is effective as of _____, _____, between _____ Hawaii Public Housing Authority,
(Insert name of state department, agency, board or commission)
 State of Hawaii ("STATE"), by its _____ Executive Director,
(Insert title of person signing for State)
 (hereafter also referred to as the HEAD OF THE PURCHASING AGENCY or designee ("HOPA")),
 whose address is 1002 North School Street, Honolulu, Hawaii 96817
 _____ and _____
 ("CONTRACTOR"), a _____
(Insert corporation, partnership, joint venture, sole proprietorship, or other legal form of the Contractor)
 under the laws of the State of _____, whose business address and federal
 and state taxpayer identification numbers are as follows: _____

RECITALS

A. The STATE desires to retain and engage the CONTRACTOR to provide the goods or services, or both, described in this Contract and its attachments, and the CONTRACTOR is agreeable to providing said goods or services, or both.

B. The STATE has issued an invitation for competitive sealed bids, and has received and reviewed bids submitted in response to the invitation.

C. The solicitation for bids and the selection of the CONTRACTOR were made in accordance with section 103D-302, Hawaii Revised Statutes ("HRS"), Hawaii Administrative Rules, Title 3, Department of Accounting and General Services, Subtitle 11 ("HAR"), Chapter 122, Subchapter 5, and applicable procedures established by the appropriate Chief Procurement Officer ("CPO").

D. The CONTRACTOR has been identified as the lowest responsible and responsive bidder whose bid meets the requirements and criteria set forth in the invitation.

E. Pursuant to _____ Section 356D-4, HRS, the STATE
(Legal authority to enter into this Contract)
 is authorized to enter into this Contract.

F. Money is available to fund this Contract pursuant to:

(1) _____ n/a
(Identify state sources)

or (2) _____ n/a
(Identify federal sources)

or both, in the following amounts: State \$ _____ n/a
 Federal \$ _____ n/a

NOW, THEREFORE, in consideration of the promises contained in this Contract, the STATE and the CONTRACTOR agree as follows:

1. Scope of Services. The CONTRACTOR shall, in a proper and satisfactory manner as determined by the STATE, provide all the goods or services, or both, set forth in the Invitation for Bids number PMB-2019-25 ("IFB") and the CONTRACTOR'S accepted bid ("Bid"), both of which, even if not physically attached to this Contract, are made a part of this Contract.

2. Compensation. The CONTRACTOR shall be compensated for goods supplied or services performed, or both, under this Contract in a total amount not to exceed

n/a DOLLARS
(\$ n/a), including approved costs incurred and taxes, at the time and in the manner set forth in the IFB and CONTRACTOR'S Bid.

3. Time of Performance. The services or goods required of the CONTRACTOR under this Contract shall be performed and completed in accordance with the Time of Performance set forth in Attachment-S3, which is made a part of this Contract.

4. Bonds. The CONTRACTOR ☐ is required to provide or ☒ is not required to provide: ☐ a performance bond, ☐ a payment bond, ☐ a performance and payment bond in the amount of n/a DOLLARS (\$ n/a).

5. Standards of Conduct Declaration. The Standards of Conduct Declaration of the CONTRACTOR is attached to and made a part of this Contract.

6. Other Terms and Conditions. The General Conditions and any Special Conditions are attached to and made a part of this Contract. In the event of a conflict between the General Conditions and the Special Conditions, the Special Conditions shall control. In the event of a conflict among the documents, the order of precedence shall be as follows: (1) this Contract, including all attachments and addenda; (2) the IFB, including all attachments and addenda; and (3) the CONTRACTOR'S Bid.

7. Liquidated Damages. Liquidated damages shall be assessed in the amount of Fifty and no/100----- DOLLARS (\$ 50.00-----) per day, in accordance with the terms of paragraph 9 of the General Conditions.

8. Notices. Any written notice required to be given by a party to this Contract shall be (a) delivered personally, or (b) sent by United States first class mail, postage prepaid. Notice to the STATE shall be sent to the HOPA'S address indicated in the Contract. Notice to the CONTRACTOR shall be sent to the CONTRACTOR'S address indicated in the Contract. A notice shall be deemed to have been received three (3) days after mailing or at the time of actual receipt, whichever is earlier. The CONTRACTOR is responsible for notifying the STATE in writing of any change of address.

IN VIEW OF THE ABOVE, the parties execute this Contract by their signatures, on the dates below, to be effective as of the date first above written.

STATE

(Signature)

Hakim Ouansafi

(Print Name)

Executive Director

(Print Title)

(Date)

CONTRACTOR

CORPORATE SEAL

(If available)

(Name of Contractor)

(Signature)

(Print Name)

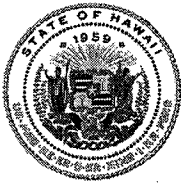
(Print Title)

(Date)

APPROVED AS TO FORM:

Deputy Attorney General

* Evidence of authority of the CONTRACTOR'S representative to sign this Contract for the CONTRACTOR must be attached.



STATE OF HAWAII

CONTRACTOR'S ACKNOWLEDGMENT

STATE OF _____)
) SS.
_____ COUNTY OF _____)

On this _____ day of _____, _____ before me appeared
_____ and _____, to me
known, to be the person(s) described in and, who, being by me duly sworn, did say that he/she/they is/are
_____ and _____ of
_____, the
CONTRACTOR named in the foregoing instrument, and that he/she/they is/are authorized to sign said
instrument on behalf of the CONTRACTOR, and acknowledges that he/she/they executed said
instrument as the free act and deed of the CONTRACTOR.

(Notary Stamp or Seal)

(Signature)

(Print Name)

Notary Public, State of _____

My commission expires: _____

Doc. Date: _____ # Pages: 29

Notary Name: _____ Circuit

Doc. Description: Contract for Goods or Services Based Upon

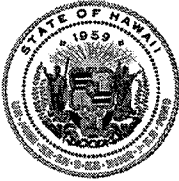
Competitive Sealed Bids

(Notary Stamp or Seal)

Notary Signature

Date

NOTARY CERTIFICATION



STATE OF HAWAII

CONTRACTOR'S STANDARDS OF CONDUCT DECLARATION

For the purposes of this declaration:

"Agency" means and includes the State, the legislature and its committees, all executive departments, boards, commissions, committees, bureaus, offices; and all independent commissions and other establishments of the state government but excluding the courts.

"Controlling interest" means an interest in a business or other undertaking which is sufficient in fact to control, whether the interest is greater or less than fifty per cent (50%).

"Employee" means any nominated, appointed, or elected officer or employee of the State, including members of boards, commissions, and committees, and employees under contract to the State or of the constitutional convention, but excluding legislators, delegates to the constitutional convention, justices, and judges. (Section 84-3, HRS).

On behalf of _____, CONTRACTOR, the undersigned does declare as follows:

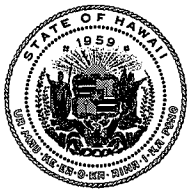
1. CONTRACTOR ☐ is* ☐ is not a legislator or an employee or a business in which a legislator or an employee has a controlling interest. (Section 84-15(a), HRS).
2. CONTRACTOR has not been represented or assisted personally in the matter by an individual who has been an employee of the agency awarding this Contract within the preceding two years and who participated while so employed in the matter with which the Contract is directly concerned. (Section 84-15(b), HRS).
3. CONTRACTOR has not been assisted or represented by a legislator or employee for a fee or other compensation to obtain this Contract and will not be assisted or represented by a legislator or employee for a fee or other compensation in the performance of this Contract, if the legislator or employee had been involved in the development or award of the Contract. (Section 84-14 (d), HRS).
4. CONTRACTOR has not been represented on matters related to this Contract, for a fee or other consideration by an individual who, within the past twelve (12) months, has been an agency employee, or in the case of the Legislature, a legislator, and participated while an employee or legislator on matters related to this Contract. (Sections 84-18(b) and (c), HRS).

CONTRACTOR understands that the Contract to which this document is attached is voidable on behalf of the STATE if this Contract was entered into in violation of any provision of chapter 84, Hawaii Revised Statutes, commonly referred to as the Code of Ethics, including the provisions which are the source of the declarations above. Additionally, any fee, compensation, gift, or profit received by any person as a result of a violation of the Code of Ethics may be recovered by the STATE.

* **Reminder to Agency:** If the "is" block is checked and if the Contract involves goods or services of a value in excess of \$10,000, the Contract must be awarded by competitive sealed bidding under section 103D-302, HRS, or a competitive sealed proposal under section 103D-303, HRS. Otherwise, the Agency may not award the Contract unless it posts a notice of its intent to award it and files a copy of the notice with the State Ethics Commission. (Section 84-15(a), HRS).

CONTRACTOR

By _____
(Signature)
Print Name _____
Print Title _____
Name of Contractor _____
Date _____



STATE OF HAWAII
SCOPE OF SERVICES

Contractor:

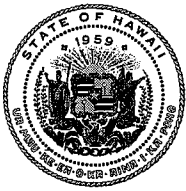
- Group I:** Hale Hoolulu, 4264 Ala Muku Place, Kilauea, HI 96754
Hale Nana Kai O Kea, Kapaa, HI 96746
Kawailehua State/Federal, 5220 & 5230 Paanau Road, Koloa, HI 96756
- Group II:** Hale Hoonanea, 4401 Waialo Road, Eleele, HI 96705
Home Nani, Moana & Laau Road, Waimea, HI 96796
Kekaha Haaheo, 8238 Iwipolena Road, Kekeha, HI 96752
- Services:** Laundry Services
IFB No. PMB-2019-25

1. It is understood and agreed that the following documents, and any amendments or addenda shall comprise the Contract between the parties and the work to be performed by the CONTRACTOR to furnish laundry services: (1) CONTRACTOR'S accepted bid offer dated _____, 2019; (2) Invitation for Bids No. PMB 2019-22 and all addenda; (3) State General Conditions (AG-008 103D General Conditions); and (4) this Contract, Attachments S1, S2, S3, S4 and S5. These documents are collectively referred to as the "Contract Documents".
2. In a satisfactory and proper manner as determined by the STATE, and in strict accordance with the terms and conditions of the Contract Documents, the CONTRACTOR shall furnish laundry services at the properties located on the Island of Kauai as listed above.
3. The STATE shall provide a suitable location with adequate space and utilities to include gas, electric and water at no additional cost to the CONTRACTOR.
4. The CONTRACTOR shall furnish, install and maintain at its own expense, new washing machines and new dryers (hereafter collectively "appliances") in such numbers as agreed upon in this Contract. The STATE shall determine at any time during this Contract that any of said appliances are surplus to its requirements. Such surplus appliances shall be promptly removed by the CONTRACTOR's sole expense.
5. The CONTRACTOR shall install and maintain the following equipment at the CONTRACTOR's sole expense:

Group I:

Location: Hale Hoolulu		
Appliance Description:	No. of Washers (Electric)	No. of Dryers (Electric)
Front Load Washer (2.8 – 3.2 cubic ft; *accessible)	1	
Front Load Dryer (16 – 18 lbs capacity)		1

*Must meet the American with Disabilities Act Accessibility Guidelines



STATE OF HAWAII
SCOPE OF SERVICES

Location: Hale Nana Kai O Kea		
Appliance Description:	No. of Washers (Electric)	No. of Dryers (Electric)
Front Load Washer (2.8 – 3.2 cubic ft; *accessible)	1	
Top Load Washer (2.8 – 3.2 cubic ft)	1	
Front Load Dryer (16 – 18 lbs capacity)		2

*Must meet the American with Disabilities Act Accessibility Guidelines

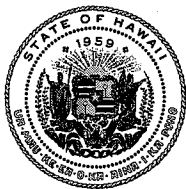
Location: Kawailehua		
Appliance Description:	No. of Washers (Electric)	No. of Dryers (Gas)
Front Load Washer (2.8 – 3.2 cubic ft; *accessible)	2	
Top Load Washer (2.8 – 3.2 cubic ft)	3	
Front Load Dryer (16 – 18 lbs capacity)		5

*Must meet the American with Disabilities Act Accessibility Guidelines

Group II:

Location: Hale Hoonanea		
Appliance Description:	No. of Washers (Electric)	No. of Dryers (Gas)
Front Load Washer (2.8 – 3.2 cubic ft; *accessible)	1	
Top Load Washer (2.8 – 3.2 cubic ft)	1	
Front Load Dryer (16 – 18 lbs capacity)		1

*Must meet the American with Disabilities Act Accessibility Guidelines



STATE OF HAWAII
SCOPE OF SERVICES

Location: Home Nani		
Appliance Description:	No. of Washers (Electric)	No. of Dryers (Gas)
Front Load Washer (2.8 – 3.2 cubic ft; *accessible)	1	
Top Load Washer (2.8 – 3.2 cubic ft)	1	
Front Load Dryer (16 – 18 lbs capacity)		1

*Must meet the American with Disabilities Act Accessibility Guidelines

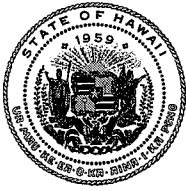
Location: Kekaha Haaheo		
Appliance Description:	No. of Washers (Electric)	No. of Dryers (Gas)
Front Load Washer (2.8 – 3.2 cubic ft; *accessible)	3	
Top Load Washer (2.8 – 3.2 cubic ft)	3	
Front Load Dryer (16 – 18 lbs capacity)		3

*Must meet the American with Disabilities Act Accessibility Guidelines

6. The CONTRACTOR shall ensure all appliances are properly maintained in good working order and condition and shall provide all necessary repairs and replacement of parts.
7. Full title to the appliances shall be in the CONTRACTOR's name and shall remain the property of the CONTRACTOR. The CONTRACTOR shall assume the full risk and responsibility for any loss, destruction or damage occurring to these appliances, except when attributed to the STATE by reason of the negligence of its officers, agents or employees while acting within the scope of their employment.
8. Maintenance, Repairs and Improvements

The CONTRACTOR shall maintain and repair the appliances furnished under this Contract. The CONTRACTOR shall post in the laundry facility the name and phone number of a contact person in case of an emergency.

Repairs shall be completed within 72 hours after receipt of service call from the STATE. When the CONTRACTOR is unable to complete repairs within 72 hours because of unavailability of parts, the CONTRACTOR shall contact the Officer-In-Charge (OIC) and advise the OIC of the



STATE OF HAWAII

SCOPE OF SERVICES

expected completion date. Unacceptable delays will be subject to liquidated damages at the discretion of the OIC.

The STATE, however, has the authority to direct the CONTRACTOR to install replacement machine(s) under the following conditions: (a) any washer or dryer that is down for more than 14 calendar days; (b) if more than one (1) washer and/or one (1) dryer is down at a given time; and (c) any washer or dryer with history of excessive repair call; or when directed by the STATE.

10. Charges to Residents

The CONTRACTOR agrees that its charges to residents for the use of these appliances shall not be in excess of the minimal prevailing rates in the neighborhood for similar appliance capacities, wash cycles and drying cycles. The CONTRACTOR also agrees that the **cost shall be per load** and not on the capacity. These charges/rates, can be adjusted based upon neighborhoods' prevailing rates during the Contract period by mutual consent of the CONTRACTOR and the STATE. Adjustments must be requested in writing to the STATE and they must be approved in writing by the STATE prior to any changes.



STATE OF HAWAII
SCOPE OF SERVICES

Contractor:

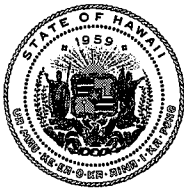
- Group I:** Hale Hoolulu, 4264 Ala Muku Place, Kilauea, HI 96754
Hale Nana Kai O Kea, Kapaa, HI 96746
Kawailehua State/Federal, 5220 & 5230 Paanau Road, Koloa, HI 96756
- Group II:** Hale Hoonanea, 4401 Waialo Road, Eleele, HI 96705
Home Nani, Moana & Laau Road, Waimea, HI 96796
Kekaha Haaheo, 8238 Iwipolena Road, Kekeha, HI 96752
- Services:** Laundry Services
IFB No. PMB-2019-25

1. It is understood and agreed that the following documents, and any amendments or addenda shall comprise the Contract between the parties and the work to be performed by the CONTRACTOR to furnish laundry services: (1) CONTRACTOR'S accepted bid offer dated _____, 2019; (2) Invitation for Bids No. PMB 2019-25 and all addenda; (3) State General Conditions (AG-008 103D General Conditions); and (4) this Contract, Attachments S1, S2, S3, S4 and S5. These documents are collectively referred to as the "Contract Documents".
2. In a satisfactory and proper manner as determined by the STATE, and in strict accordance with the terms and conditions of the Contract Documents, the CONTRACTOR shall furnish laundry services at the properties located on the Island of Kauai as listed above.
3. The STATE shall provide a suitable location with adequate space and utilities to include gas, electric and water at no additional cost to the CONTRACTOR.
4. The CONTRACTOR shall furnish, install and maintain at its own expense, new washing machines and new dryers (hereafter collectively "appliances") in such numbers as agreed upon in this Contract. The STATE shall determine at any time during this Contract that any of said appliances are surplus to its requirements. Such surplus appliances shall be promptly removed by the CONTRACTOR's sole expense.
5. The CONTRACTOR shall install and maintain the following equipment at the CONTRACTOR's sole expense:

Group I:

Location: Hale Hoolulu		
Appliance Description:	No. of Washers (Electric)	No. of Dryers (Electric)
Front Load Washer (2.8 – 3.2 cubic ft; *accessible)	1	
Front Load Dryer (16 – 18 lbs capacity)		1

*Must meet the American with Disabilities Act Accessibility Guidelines



STATE OF HAWAII

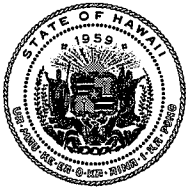
COMPENSATION AND PAYMENT SCHEDULE

Contractor:

- Group I:** Hale Hoolulu, 4264 Ala Muku Place, Kilauea, HI 96754
Hale Nani Kai O Kea, Kapaa, HI 96746
Kawailehua State/Federal, 5220 & 5230 Paanau Road, Koloa, HI 96756
- Group II:** Hale Hoonanea, 4401 Waialo Road, Eleele, HI 96705
Home Nani, Moana & Laau Road, Waimea, HI 96796
Kekaha Haaheo, 8238 Iwipolena Road, Kekeha, HI 96752
- Services:** Laundry Services
IFB No. PMB-2019-25

1. It is agreed and understood that under Group I and Group II, the CONTRACTOR shall pay the STATE _____ (____%) of all monthly gross revenues collected from the washers and dryers, hereinafter collectively “appliances”, for the rights and privileges granted to the CONTRACTOR by the STATE to operate a laundry concession at the properties listed above under Group II, derived each calendar day of the calendar month. Said payment must be received by the State not later than the end of the following calendar month. The CONTRACTOR shall retain the remaining _____ (____%) of the monthly gross revenues collected from the appliances derived each calendar day of the calendar month for services satisfactorily performed. See attached and incorporated Exhibit A.
2. All payments shall be accompanied by a sworn statement from the CONTRACTOR or such other evidence as the STATE may require, certifying and showing the gross revenues derived each month from the operation of all appliances at each property.
3. The CONTRACTOR shall inform the STATE of the date(s) and time(s) when the revenues are to be collected or removed from the appliances, and the STATE shall have the right to have a representative present at the time of each revenue collection. The failure of the CONTRACTOR to inform the STATE of such collection dates and times shall be deemed to be a material breach of this Contract.
4. The CONTRACTOR shall send the revenue collected to:

Hawaii Public Housing Authority
Attention: Property Management and Maintenance Services Branch
P.O. Box 17907
Honolulu, HI 96817



STATE OF HAWAII
TIME OF PERFORMANCE

Contractor:

Group I: Hale Hoolulu, 4264 Ala Muku Place, Kilauea, HI 96754
Hale Nana Kai O Kea, Kapaa, HI 96746
Kawailehua – State/Federal, 5220 & 5230 Paanau Road, Koloa, HI 96756

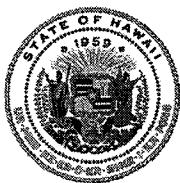
Group II: Hale Hoonanea, 4401 Waialo Road, Eleele, HI 96705
Home Nani, Moana & Laau Road, Waimea, HI 96796
Kekaha Haaheo, 8238 Iwipolena Road, Kekeha, HI 96752

Services: Laundry Services
IFB No. PMB-2019-25

1. The term of this Contract for furnishing laundry services under Asset Management Project 38 on Kauai for a 60-month period upon issuance of the Notice to Proceed as follows:

Group I: Hale Hoolulu, Hale Nana Kai O Kea, Kawailehua – State/Federal;

Group II: Hale Hoonanea, Home Nani and Kekaha Haaheo
2. No services shall be performed on this Contract prior to the issuance of the Notice to Proceed.



Attachment – S4

STATE OF HAWAII

CERTIFICATE OF EXEMPTION FROM CIVIL SERVICE

1. By Heads of Departments Delegated by the Director of the Department of Human Resources Development (“DHRD”).*

Pursuant to a delegation of the authority by the Director of DHRD, I certify that the services to be provided under this Contract, and the person(s) providing the services under this Contract are exempt from the civil service, pursuant to § 76-16, Hawaii Revised Statutes (HRS).

(Signature)

Hakim Ouansafi

(Print Name)

Executive Director

(Print Title)

(Date)

* This part of the form may be used by all department heads and the heads of attached agencies to whom the Director of DHRD expressly has delegated authority to certify § 76-16, HRS, civil service exemptions. The specific paragraph(s) of § 76-16, HRS, upon which an exemption is based should be noted in the contract file. If an exemption is based on § 76-16(b)(15), the contract must meet the following conditions:

- (1) It involves the delivery of completed work or product by or during a specific time;
- (2) There is no employee-employer relationship; and
- (3) The authorized funding for the service is from other than the "A" or personal services cost element.

NOTE: Not all attached agencies have received a delegation under § 76-16(b)(15). If in doubt, attached agencies should check with the Director of DHRD prior to certifying an exemption under § 76-16(b)(15). Authority to certify exemptions under §§ 76-16(b)(2), and 76-16(b)(12), HRS, has not been delegated; only the Director of DHRD may certify §§ 76-16(b)(2), and 76-16(b)(12) exemptions.

2. By the Director of DHRD, State of Hawaii.

I certify that the services to be provided under this Contract, and the person(s) providing the services under this Contract are exempt from the civil service, pursuant to § 76-16, HRS.

(Signature)

(Date)

(Print Name)

(Print Title, if designee of the Director of DHRD)



STATE OF HAWAII
SPECIAL CONDITIONS

Contractor:

Group I: Hale Hoolulu, 4264 Ala Muku Place, Kilauea, HI 96754
Hale Nani Kai O Kea, Kapaa, HI 96746
Kawailehua – State/Federal, 5220 & 5230 Paanau Road, Koloa, HI 96756

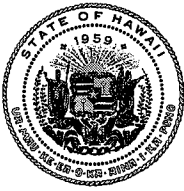
Group II: Hale Hoonanea, 4401 Waialo Road, Eleele, HI 96705
Home Nani, Moana & Laau Road, Waimea, HI 96796
Kekaha Haaheo, 8238 Iwipolena Road, Kekeha, HI 96752

Services: Laundry Services
IFB No. PMB-2019-25

1. The CONTRACTOR shall maintain insurance acceptable to the STATE in full force and effect throughout the term of this Contract. The policies of insurance maintained by the CONTRACTOR shall provide the coverage.

<u>Coverage</u>	<u>Limit</u>
General Liability Insurance (occurrence form)	<u>\$2,000,000.00</u> combined single limit per occurrence for bodily injury and property damage.
Automobile Insurance covering all owned, non- owned and hired automobiles.	Bodily injury liability limits of <u>\$1,000,000.00</u> each person and <u>\$1,000,000.00</u> per accident and property damage liability limits of <u>\$1,000,000.00</u> per accident OR combined single limit of <u>\$2,000,000.00</u> .
Workers Compensation as required by laws of the State of Hawaii.	Insurance to include Employer's Liability. Both such coverages shall apply to all employees of the CONTRACTOR and to all employees of sub-contractors (in case any sub-contractor fails to provide adequate similar protection for all its employees).

- a. The State of Hawaii, the Hawaii Public Housing Authority, its elected and appointed officials, officers and employees shall be named as additional insured, except for Professional Liability Insurance and Workers Compensation Insurance, as respects to operations performed for the State of Hawaii under this Contract. The CONTRACTOR agrees to provide the STATE before the effective date of the Contract, certificate(s) of insurance necessary to satisfy the STATE that the CONTRACTOR is in compliance with insurance provisions of this Contract and to keep such insurance in effect and the certificate(s) therefore on deposit with the STATE during the entire term of this Contract. Upon request by the State, the CONTRACTOR shall furnish a copy of the policy or policies.
- b. Failure of the CONTRACTOR to provide and keep in force such insurance shall be a material default under this Contract. The STATE shall be entitled to exercise any or all of the remedies provided in this Contract and by law for default by the CONTRACTOR.



STATE OF HAWAII

SPECIAL CONDITIONS

- c. The procuring of such required policy or policies of insurance shall not be construed to limit the CONTRACTOR's liability hereunder or to fulfill the indemnification provisions and requirements of this Contract. Notwithstanding said policy or policies of insurance, the CONTRACTOR shall be obliged for the full and total amount of any damage, injury, or loss caused by negligence or neglect connected with this Contract.
 - d. The CONTRACTOR shall notify the HPHA in writing of any cancellation or change in provisions 30 calendar days prior to the effective date of such cancellation or change.
 - e. The HPHA is a self insured STATE agency. The CONTRACTOR's insurance shall be primary. Any insurance maintained by the State of Hawaii shall apply in excess of and shall not contribute with, insurance provided by the CONTRACTOR.
 - f. To satisfy the minimum coverage limits required by this Contract, the CONTRACTOR may use an umbrella policy in addition to the mandatory insurance policies (i.e., General Liability Insurance, Automobile Insurance, and Workers' Compensation) provided that the HPHA approves, and the umbrella policy follows the underlying coverage forms.
- 2. The CONTRACTOR shall have a permanent office in the State of Hawaii from where it conducts business and where it will be accessible to telephone calls for complaints or requests that need immediate attention. An answering service is not acceptable.
 - 3. The STATE shall monitor the performance of work on an ongoing basis through desk monitoring, site inspection and/or other appropriate methods.
 - 4. Smoking of tobacco or any other plant material is strictly prohibited on HPHA properties. The CONTRACTOR agrees and shall adhere to this no-smoking prohibition while on HPHA property. Such violation may be considered a breach of this Contract and result in suspension or termination.
 - 5. In the event the CONTRACTOR fails, refuses, or neglects to perform the services in accordance with the requirements of the Invitation for Bids (IFB) No. PMB-2019-25 or the Contract, the STATE reserves the right to purchase in the open market a corresponding quantity of services, and to deduct the cost of such services from any monies due or may become due the CONTRACTOR. In case money due to the CONTRACTOR is insufficient for the purpose, the CONTRACTOR shall pay the difference upon demand by the STATE. The STATE may also utilize all other remedies provided under the Contract, and by law and rules.
 - 6. Liquidated damages are fixed at the sum of FIFTY DOLLARS (\$50.00) for each calendar day that the CONTRACTOR fails to perform in whole or in part any of its obligations. Liquidated damages may be deducted from any payments due or to become due to the CONTRACTOR.